

Message Text

LIMITED OFFICIAL USE

PAGE 01 CANBER 05029 120409Z

15

ACTION AGR-20

INFO OCT-01 EA-11 ISO-00 EB-11 COME-00 TRSE-00 OMB-01

CIAE-00 INR-10 NSAE-00 RSC-01 DRC-01 L-03 TAR-02 /061 W

----- 067477

R 120346Z SEP 73

FM AMEMBASSY CANBERRA

TO SECSTATE WASHDC 1652

INFO AMEMBASSY WELLINGTON

AMCONSUL MELBOURNE

AMCONSUL SYDNEY

AMCONSUL PERTH UNN

AMCONSUL BRISBANE UNN

LIMITED OFFICIAL USE CANBERRA 5029

PASS AGRICULTURE FOR HARTMAN

EO 11652: N/A

TAGS: EAGR, ETRD, EGEN, AS

SUBJ: MEAT EXPORT CONTROL PROPOSALS

REF: CANBERRA 4883

1. FEDERAL CABINET YESTERDAY CONSIDERED MEAT EXPORT CONTROL PROPOSALS BY THE RECENTLY FORMED INTER-DEPARTMENTAL COMMITTEE ON MEAT PRICES. THE COMMITTEE HAD NOT YET COMPLETED ITS FULL SUBMISSION, WHILE TWO KEY MINISTERS, DOT MINISTER CAIRNS AND NORTHERN DEVELOPMENT MINISTER PATTERSON WERE ABSENT OVERSEAS. AS A RESULT, NO DECISION WAS MADE ON PROPOSALS TO RESTRICT EXPORTS OF LAMB AND GOOD QUALITY YOUNG BEEF. HOWEVER, CABINET MADE A TOKEN MOVE TO EASE DOMESTIC MEAT PRICES BY ENDING EXPORT INCENTIVE PAYMENTS TO MEAT PRODUCERS AND ABOLITION OF INCOME TAX REBATES FOR MARKET DEVELOPMENT EXPENSES BY MEAT EXPORTERS.

2. THE EXPORT INCENTIVE PAYMENTS SCHEME APPLIES TO ALL EXPORT COMMODITIES, AND WAS FORMERLY KNOWN AS THE PAYROLL TAX REBATE SCHEME. ANY INCREASE IN EXPORTS WAS TIED TO A PROPORTIONATE REDUC-

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 CANBER 05029 120409Z

TION IN PAYROLL TAX, AND WAS WORTH BETWEEN 5 AND 7 MILLION AUSTRALIAN

DOLLARS TO MEAT EXPORTERS PER ANNUM. HOWEVER, AS CREDITS ACCUMULATED BY EXPORTERS COULD BE CARRIED FORWARD, IT APPEARS THAT THE IMPACT OF THE REMOVAL OF THIS INCENTIVE WILL TAKE ABOUT THREE YEARS TO BECOME EFFECTIVE. IN HIS ANNOUNCEMENT, THE TREASURER STATED:

"THERE IS NO REASON WHY MEAT EXPORTS SHOULD CONTINUE TO BE SUBSIDIZED BY THE AUSTRALIAN TAXPAYER. ACCORDINGLY, EXPORTS OF FRESH, CHILLED, AND FROZEN MEAT AFTER SEPTEMBER 31, 1973, WILL NOT CARRY ENTITLEMENT TO EXPORT INCENTIVE GRANTS."

3. THE ABOLITION OF INCOME TAX REBATES FOR MARKET DEVELOPMENT COSTS MEANS A LOSS TO EXPORTERS OF APPROXIMATELY 500,000 DOLLARS AUSTRALIAN PER ANNUM.

4. ALTHOUGHT THE REMOVAL OF TAX CONCESSIONS MAY HAVE A SLIGHT EFFECT ON EXPORTS, MOST AUTHORITIES ADMIT PRIVATELY THAT THIS WILL NOT GREATLY REDUCE DOMESTIC MEAT PRICES OR MAKE EXPORTS LESS ATTRACTIVE. IT APPEARS THAT CABINET BASICALLY WAS NOT PREPARED TO MAKE A DECISION ON RESTRICTIONS AT THIS TIME, WHILE GOA OFFICIALS FELT THAT ANY ACTION SHOULD WAIT UNTIL THE EFFECTS OF THE LIFTING OF THE US PRICE FREEZE ON BEEF TOMORROW ON WORLD DEMAND AND PRICES COULD BE PROPERLY ASSESSED.
GREEN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 12 SEP 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973CANBER05029
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: CANBERRA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730941/aaaabdrm.tel
Line Count: 84
Locator: TEXT ON-LINE
Office: ACTION AGR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: CANBERRA 4883
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 25 OCT 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <25-Oct-2001 by eisnerah>; APPROVED <12-Dec-2001 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: MEAT EXPORT CONTROL PROPOSALS
TAGS: EAGR, ETRD, EGEN, AS
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005